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AMENDED IN SENATE SEPTEMBER 7, 2007  
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AMENDED IN SENATE JULY 3, 2007  
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AMENDED IN ASSEMBLY MAY 1, 2007  
AMENDED IN ASSEMBLY APRIL 12, 2007

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1656**

**Introduced by Assembly Members Feuer and DeSaulnier Member  
Jones**

*(Principal coauthor: Senator Torlakson)*

**(Coauthor: Assembly Member Brownley Coauthors: Assembly  
Members Adams, Aghazarian, DeSaulnier, Fuentes, Garrick,  
Huffman, Krekorian, and Plescia)**

*(Coauthors: Senators Denham, Scott, and Wyland)*

February 23, 2007

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*An act to amend Section 60900 of, and to add Section 60902 to, the  
Education Code, relating to pupil achievement. An act to amend Sections  
1798.29 and 1798.82 of, and to add Sections 1724.4, 1724.5, 1724.6,  
1798.295, and 1798.825 to, the Civil Code, relating to personal  
information.*

## LEGISLATIVE COUNSEL'S DIGEST

AB 1656, as amended, Feuer Jones. ~~Pupil achievement: California Longitudinal Pupil Achievement Data System. Personal information: security breaches.~~

*(1) Existing law imposes specified duties upon certain persons or businesses that conduct business in California to, among other things, take reasonable steps to destroy customer records, implement and maintain reasonable security measures, disclose a breach of computerized data, and, upon request, provide specified information to a customer in relation to the disclosure of personal information to 3rd parties. For a violation of any of the above-described provisions, existing law allows an injured customer to institute a civil action to recover damages or for injunctive relief.*

*This bill would prohibit a person, business, or agency, as defined, that sells goods or services to any resident of California and accepts as payment a credit card, debit card, or other payment device, from storing, retaining, sending, or failing to limit access to payment-related data, as defined, retaining a primary account number, or storing sensitive authentication data subsequent to an authorization, as specified, unless a specified exception applies.*

*(2) Existing law requires any agency, person, or business that maintains computerized data that includes personal information that the agency, person, or business does not own, to notify the owner or licensee of the information of any breach of the security of the data immediately following discovery, if the personal information was, or is reasonably believed to have been, acquired by an unauthorized person.*

*This bill would require that notification to the owner or licensee of the information to include, among other things, a description of the categories of personal information that were, or may have been, acquired, a toll-free or local telephone number or e-mail address that individuals may use to contact the agency, person, or business, and the telephone numbers and addresses of the major credit reporting agencies. If the owner or licensee of the information is the issuer of the credit or debit card or the payment device, or maintains the account from which the payment device orders payment or is an agency required to give notice of a security breach, as specified, the bill would require the owner or licensee to disclose the same information to the California resident in plain language, as specified.*

(3) Existing law requires any state agency, or a person or business that conducts business in California, that owns or licenses computerized data that includes personal information, as defined, to disclose any breach of the security of that data to any resident of California whose unencrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person. Existing law allows for that disclosure by written notice, electronic notice, or, upon a specified condition, by substitute notice, which, if utilized, also requires notification to major statewide media.

This bill, if substitute notice is utilized, would require that notice to also be provided to the Office of Information Security and Privacy Protection.

The bill would specify that it would only become operative if SB 364 is enacted and takes effect on or before January 1, 2009.

~~Existing law requires the State Department of Education to contract for the development of proposals that will provide for the retention and analysis of longitudinal pupil achievement data on the Standardized Testing and Reporting (STAR) Program, English language development tests, and the high school exit examination, known as the California Longitudinal Pupil Achievement Data System.~~

~~This bill would require the Superintendent of Public Instruction, with the approval of the State Board of Education, to establish and maintain a unique coding system for educational institutions, as deemed necessary by the Superintendent, for the purpose of identifying and tracking enrollment, state and federal reporting requirements, and specified other purposes. The state board would be required to adopt regulations necessary to implement the coding system.~~

~~The bill would also make technical changes.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Section 1724.4 is added to the Civil Code, to read:
- 2     1724.4. (a) In addition to being subject to the provisions of
- 3     Title 1.81 (commencing with Section 1798.80) of Part 4, a person,
- 4     business, or agency, as defined in subdivision (b) of Section 1798.3,
- 5     that sells goods or services to any resident of California and
- 6     accepts as payment a credit card, debit card, or other payment
- 7     device shall not do any of the following:

1     (1) Store payment-related data, except when the person,  
2     business, or agency complies with both of the following:

3     (A) The person, business, or agency shall have a payment data  
4     retention and disposal policy that limits the amount of  
5     payment-related data and the time that data is retained to only the  
6     amount and time required for business, legal, or regulatory  
7     purposes as explicitly documented in the policy.

8     (B) The person, business, or agency shall retain payment-related  
9     data only for a time period and in a manner explicitly permitted  
10    by the policy.

11    (2) Store sensitive authentication data subsequent to  
12    authorization, even if that data is encrypted. Sensitive  
13    authentication data includes all of the following:

14    (A) The full contents of any data track from a payment card or  
15    other payment device.

16    (B) The card verification code or any value used to verify  
17    transactions when the payment device is not present.

18    (C) The personal identification number (PIN) or the encrypted  
19    PIN block.

20    (3) Store any payment-related data that is not needed for  
21    business, legal, or regulatory purposes.

22    (4) Store any of the following data elements:

23    (A) Payment verification code.

24    (B) Payment verification value.

25    (C) PIN verification value.

26    (5) Retain the primary account number unless retained in a  
27    manner consistent with the other requirements of this subdivision  
28    and in a form that is unreadable and unusable by unauthorized  
29    persons anywhere it is stored.

30    (6) Send payment-related data over open, public networks unless  
31    the data is encrypted using strong cryptography and security  
32    protocols or otherwise rendered indecipherable.

33    (7) Fail to limit access to payment-related data to only those  
34    individuals whose job requires that access.

35    (b) (1) This section shall not apply to any person or business  
36    subject to Sections 6801 to 6809, inclusive, of Title 15 of the United  
37    States Code and state or federal statutes or regulations  
38    implementing those sections, if the person or business is subject  
39    to compliance oversight by a state or federal regulatory agency  
40    with respect to those sections.

1     (2) *Nothing in this section shall prohibit a person, business, or*  
2 *agency, as defined in subdivision (b) of Section 1798.3, that sells*  
3 *goods or services to any California resident and accepts as*  
4 *payment a credit card, debit card, or other payment device from*  
5 *storing payment-related data for the sole purpose of processing*  
6 *ongoing or recurring payments, provided that the payment-related*  
7 *data is maintained in accordance with this section.*

8     (c) *For purposes of this section, “payment-related data” means*  
9 *any computerized information described in paragraph (3) of*  
10 *subdivision (e) of Section 1798.82, whether individually or in*  
11 *combination with any other information described in that*  
12 *paragraph.*

13     SEC. 2. *Section 1724.5 is added to the Civil Code, to read:*

14     1724.5. (a) *Any person, business, or agency subject to Section*  
15 *1724.4 that is required to give notice of a breach of the security*  
16 *of the system pursuant to subdivision (b) of Section 1798.29 or*  
17 *subdivision (b) of Section 1798.82 shall include in that notification*  
18 *to the owner or licensee of the information, in plain language, all*  
19 *of the following information if available at the time the notice is*  
20 *provided:*

21         (1) *The date of the notice.*

22         (2) *The name of the agency, person, or business that maintained*  
23 *the computerized data at the time of the breach.*

24         (3) *The date, estimated date, or date range within which the*  
25 *breach occurred, if that information is possible to determine at*  
26 *the time the notice is provided.*

27         (4) *A description of the categories of personal information that*  
28 *was, or is reasonably believed to have been, acquired by an*  
29 *unauthorized person.*

30         (5) *A toll-free telephone number for the agency, person, or*  
31 *business subject to the breach of the security of the system of that*  
32 *agency, person, or business or, if the primary method used by that*  
33 *agency, person, or business to communicate with the individuals*  
34 *whose information is the subject of the breach is by electronic*  
35 *means, an e-mail address that the individuals may use to contact*  
36 *the agency, person, or business so that the individuals may learn*  
37 *what types of personal information that agency, person, or business*  
38 *maintained about the individuals were subject to the security*  
39 *breach. If the agency, person, or business that experienced the*  
40 *breach does not have a toll-free telephone number, a local*

1 telephone number may be provided to the owner or licensee of the  
2 information to contact the agency, person, or business.

3 (6) The toll-free telephone numbers and addresses for the major  
4 credit reporting agencies.

5 (b) The notification required by subdivisions (a) and (c) may  
6 be delayed if a law enforcement agency determines that the  
7 notification will impede a criminal investigation. The notification  
8 required by subdivisions (a) and (c) shall be made after the law  
9 enforcement agency determines that it will not compromise the  
10 investigation.

11 (c) If the owner or licensee of the information is the issuer of  
12 the credit or debit card or the payment device, or maintains the  
13 account from which the payment device orders payment, or is an  
14 agency required to give notice of a breach of the security of the  
15 system pursuant to subdivision (a) of Section 1798.29, the owner  
16 or licensee shall disclose to the California resident in any  
17 notification provided pursuant to subdivision (a) of Section 1798.29  
18 or subdivision (a) of Section 1798.82, in plain language, all  
19 information described in paragraphs (1) to (6), inclusive, of  
20 subdivision (a) of this section that is available at the time that  
21 notification is made, except however, with respect to paragraph  
22 (5), an e-mail address may be provided in lieu of a toll-free or  
23 local telephone number to those individuals with whom the primary  
24 method used by that agency, person, or business to communicate  
25 is by electronic means.

26 SEC. 3. Section 1724.6 is added to the Civil Code, to read:

27 1724.6. Any person, business, or agency subject to Section  
28 1724.4 required to give the notice described in subdivision (a) of  
29 Section 1724.5 shall be liable to the owner or licensee of the  
30 information for the actual costs of any consumer notification  
31 provided by the owner or licensee pursuant to Section 1798.29 or  
32 1798.82.

33 SEC. 3. Section 1798.29 of the Civil Code is amended to read:

34 1798.29. (a) Any agency that owns or licenses computerized  
35 data that includes personal information shall disclose any breach  
36 of the security of the system following discovery or notification  
37 of the breach in the security of the data to any resident of California  
38 whose unencrypted personal information was, or is reasonably  
39 believed to have been, acquired by an unauthorized person. The  
40 disclosure shall be made in the most expedient time possible and

1 without unreasonable delay, consistent with the legitimate needs  
2 of law enforcement, as provided in subdivision (c), or any measures  
3 necessary to determine the scope of the breach and restore the  
4 reasonable integrity of the data system.

5 (b) Any agency that maintains computerized data that includes  
6 personal information that the agency does not own shall notify the  
7 owner or licensee of the information of any breach of the security  
8 of the data immediately following discovery, if the personal  
9 information was, or is reasonably believed to have been, acquired  
10 by an unauthorized person.

11 (c) The notification required by this section may be delayed if  
12 a law enforcement agency determines that the notification will  
13 impede a criminal investigation. The notification required by this  
14 section shall be made after the law enforcement agency determines  
15 that it will not compromise the investigation.

16 (d) For purposes of this section, “breach of the security of the  
17 system” means unauthorized acquisition of computerized data that  
18 compromises the security, confidentiality, or integrity of personal  
19 information maintained by the agency. Good faith acquisition of  
20 personal information by an employee or agent of the agency for  
21 the purposes of the agency is not a breach of the security of the  
22 system, provided that the personal information is not used or  
23 subject to further unauthorized disclosure.

24 (e) For purposes of this section, “personal information” means  
25 an individual’s first name or first initial and last name in  
26 combination with any one or more of the following data elements,  
27 when either the name or the data elements are not encrypted:

28 (1) Social security number.

29 (2) Driver’s license number or ~~California Identification Card~~  
30 *identification card* number.

31 (3) Account number, credit or debit card number, in combination  
32 with any required security code, access code, or password that  
33 would permit access to an individual’s financial account.

34 (4) Medical information.

35 (5) Health insurance information.

36 (f) (1) For purposes of this section, “personal information” does  
37 not include publicly available information that is lawfully made  
38 available to the general public from federal, state, or local  
39 government records.

(2) For purposes of this section, “medical information” means any information regarding an individual’s medical history, mental or physical condition, or medical treatment or diagnosis by a health care professional.

(3) For purposes of this section, “health insurance information” means an individual’s health insurance policy number or subscriber identification number, any unique identifier used by a health insurer to identify the individual, or any information in an individual’s application and claims history, including any appeals records.

(g) For purposes of this section, “notice” may be provided by one of the following methods:

(1) Written notice.

(2) Electronic notice, if the notice provided is consistent with the provisions regarding electronic records and signatures set forth in Section 7001 of Title 15 of the United States Code.

(3) Substitute notice, if the agency demonstrates that the cost of providing notice would exceed two hundred fifty thousand dollars (\$250,000), or that the affected class of subject persons to be notified exceeds 500,000, or the agency does not have sufficient contact information. Substitute notice shall consist of all of the following:

(A) E-mail notice when the agency has an e-mail address for the subject persons.

(B) Conspicuous posting of the notice on the agency’s *Internet* Web site-page, if the agency maintains one.

(C) Notification to major statewide media *and the Office of Information Security and Privacy Protection*.

(h) Notwithstanding subdivision (g), an agency that maintains its own notification procedures as part of an information security policy for the treatment of personal information and is otherwise consistent with the timing requirements of this part shall be deemed to be in compliance with the notification requirements of this section if it notifies subject persons in accordance with its policies in the event of a breach of security of the system.

*SEC. 4. Section 1798.295 is added to the Civil Code, to read: 1798.295. The notification required pursuant to Section 1798.29 shall be in accordance with Section 1724.5, if applicable.*

*SEC. 5. Section 1798.82 of the Civil Code is amended to read:*

1798.82. (a) Any person or business that conducts business in California, and that owns or licenses computerized data that



1 includes personal information, shall disclose any breach of the  
2 security of the system following discovery or notification of the  
3 breach in the security of the data to any resident of California  
4 whose unencrypted personal information was, or is reasonably  
5 believed to have been, acquired by an unauthorized person. The  
6 disclosure shall be made in the most expedient time possible and  
7 without unreasonable delay, consistent with the legitimate needs  
8 of law enforcement, as provided in subdivision (c), or any measures  
9 necessary to determine the scope of the breach and restore the  
10 reasonable integrity of the data system.

11 (b) Any person or business that maintains computerized data  
12 that includes personal information that the person or business does  
13 not own shall notify the owner or licensee of the information of  
14 any breach of the security of the data immediately following  
15 discovery, if the personal information was, or is reasonably  
16 believed to have been, acquired by an unauthorized person.

17 (c) The notification required by this section may be delayed if  
18 a law enforcement agency determines that the notification will  
19 impede a criminal investigation. The notification required by this  
20 section shall be made after the law enforcement agency determines  
21 that it will not compromise the investigation.

22 (d) For purposes of this section, “breach of the security of the  
23 system” means unauthorized acquisition of computerized data that  
24 compromises the security, confidentiality, or integrity of personal  
25 information maintained by the person or business. Good faith  
26 acquisition of personal information by an employee or agent of  
27 the person or business for the purposes of the person or business  
28 is not a breach of the security of the system, provided that the  
29 personal information is not used or subject to further unauthorized  
30 disclosure.

31 (e) For purposes of this section, “personal information” means  
32 an individual’s first name or first initial and last name in  
33 combination with any one or more of the following data elements,  
34 when either the name or the data elements are not encrypted:

35 (1) Social security number.

36 (2) Driver’s license number or ~~California Identification Card~~  
37 *identification card* number.

38 (3) Account number, credit or debit card number, in combination  
39 with any required security code, access code, or password that  
40 would permit access to an individual’s financial account.

1 (4) Medical information.

2 (5) Health insurance information.

3 (f) (1) For purposes of this section, “personal information” does  
4 not include publicly available information that is lawfully made  
5 available to the general public from federal, state, or local  
6 government records.

7 (2) For purposes of this section, “medical information” means  
8 any information regarding an individual’s medical history, mental  
9 or physical condition, or medical treatment or diagnosis by a health  
10 care professional.

11 (3) For purposes of this section, “health insurance information”  
12 means an individual’s health insurance policy number or subscriber  
13 identification number, any unique identifier used by a health insurer  
14 to identify the individual, or any information in an individual’s  
15 application and claims history, including any appeals records.

16 (g) For purposes of this section, “notice” may be provided by  
17 one of the following methods:

18 (1) Written notice.

19 (2) Electronic notice, if the notice provided is consistent with  
20 the provisions regarding electronic records and signatures set forth  
21 in Section 7001 of Title 15 of the United States Code.

22 (3) Substitute notice, if the person or business demonstrates that  
23 the cost of providing notice would exceed two hundred fifty  
24 thousand dollars (\$250,000), or that the affected class of subject  
25 persons to be notified exceeds 500,000, or the person or business  
26 does not have sufficient contact information. Substitute notice  
27 shall consist of all of the following:

28 (A) E-mail notice when the person or business has an e-mail  
29 address for the subject persons.

30 (B) Conspicuous posting of the notice on the *Internet* Web site  
31 page of the person or business, if the person or business maintains  
32 one.

33 (C) Notification to major statewide media *and the Office of*  
34 *Information Security and Privacy Protection*.

35 (h) Notwithstanding subdivision (g), a person or business that  
36 maintains its own notification procedures as part of an information  
37 security policy for the treatment of personal information and is  
38 otherwise consistent with the timing requirements of this part; shall  
39 be deemed to be in compliance with the notification requirements  
40 of this section if the person or business notifies subject persons in

1 accordance with its policies in the event of a breach of security of  
2 the system.

3 *SEC. 6. Section 1798.825 is added to the Civil Code, to read:*  
4 *1798.825. The notification required pursuant to Section*  
5 *1798.82 shall be in accordance with Section 1724.5, if applicable.*

6 *SEC. 7. This act shall become operative only if Senate Bill 364*  
7 *of the 2007–08 Regular Session is enacted and takes effect on or*  
8 *before January 1, 2009.*

9 ~~SECTION 1. Section 60900 of the Education Code is amended~~  
10 ~~to read:~~

11 ~~60900. (a) The department shall contract for the development~~  
12 ~~of proposals that will provide for the retention and analysis of~~  
13 ~~longitudinal pupil achievement data on the tests administered~~  
14 ~~pursuant to Chapter 5 (commencing with Section 60600), Chapter~~  
15 ~~7 (commencing with Section 60810), and Chapter 9 (commencing~~  
16 ~~with Section 60850). The longitudinal data shall be known as the~~  
17 ~~California Longitudinal Pupil Achievement Data System.~~

18 ~~(b) The proposals developed pursuant to subdivision (a) shall~~  
19 ~~evaluate and determine whether it would be most effective, from~~  
20 ~~both a fiscal and a technological perspective, for the state to own~~  
21 ~~the system. The proposals shall additionally evaluate and determine~~  
22 ~~the most effective means of housing the California Longitudinal~~  
23 ~~Pupil Achievement Data System.~~

24 ~~(c) The California Longitudinal Pupil Achievement Data System~~  
25 ~~shall be developed and implemented in accordance with all state~~  
26 ~~rules and regulations governing information technology projects.~~

27 ~~(d) The system or systems developed pursuant to this section~~  
28 ~~shall be used to accomplish all of the following goals:~~

29 ~~(1) To provide local educational agencies and the department~~  
30 ~~access to data necessary to comply with federal reporting~~  
31 ~~requirements delineated in the federal No Child Left Behind Act~~  
32 ~~of 2001 (20 U.S.C. Sec. 6301 et seq.).~~

33 ~~(2) To provide a better means of evaluating educational progress~~  
34 ~~and investments over time.~~

35 ~~(3) To provide local educational agencies information that can~~  
36 ~~be used to improve pupil achievement.~~

37 ~~(4) To provide an efficient, flexible, and secure means of~~  
38 ~~maintaining longitudinal statewide pupil level data.~~

39 ~~(e) In order to comply with federal law as delineated in the~~  
40 ~~federal No Child Left Behind Act of 2001, the local educational~~

1 agency shall retain and maintain individual pupil records, including  
2 all of the following:

3 ~~(1) All demographic data collected from the Standardized~~  
4 ~~Testing and Reporting (STAR) Program test, high school exit~~  
5 ~~examination, and English language development test.~~

6 ~~(2) Pupil achievement data from assessments administered~~  
7 ~~pursuant to the STAR Program, high school exit examination, and~~  
8 ~~English language development testing programs. To the extent~~  
9 ~~feasible, data should include subscore data within each content~~  
10 ~~area.~~

11 ~~(3) A unique statewide pupil identification number to be~~  
12 ~~identical to the pupil identifier developed pursuant to the California~~  
13 ~~School Information Services, which shall be retained and~~  
14 ~~maintained by each local educational agency and used to ensure~~  
15 ~~the accuracy of information on the STAR Program test answer~~  
16 ~~documents, high school exit examination, and the English language~~  
17 ~~development test.~~

18 ~~(4) All data necessary to compile reports required by the federal~~  
19 ~~No Child Left Behind Act of 2001, including, but not limited to,~~  
20 ~~dropout and graduation rates.~~

21 ~~(5) Other data elements deemed necessary by the~~  
22 ~~Superintendent, with approval of the state board, to comply with~~  
23 ~~the federal reporting requirements delineated in the federal No~~  
24 ~~Child Left Behind Act of 2001, after review and comment by the~~  
25 ~~advisory board convened pursuant to subdivision (h).~~

26 ~~(f) The California Longitudinal Pupil Achievement Data System~~  
27 ~~shall have all of the following characteristics:~~

28 ~~(1) The ability to sort by demographic element collected from~~  
29 ~~the STAR Program tests, high school exit examination, and English~~  
30 ~~language development test.~~

31 ~~(2) The capability to be expanded to include pupil achievement~~  
32 ~~data from multiple years.~~

33 ~~(3) The capability to monitor pupil achievement on the STAR~~  
34 ~~Program tests, high school exit examination, and English language~~  
35 ~~development test from year to year and school to school.~~

36 ~~(4) The capacity to provide data to the state and local educational~~  
37 ~~agencies upon their request.~~

38 ~~(g) Data elements and codes included in the system shall comply~~  
39 ~~with Sections 49061 to 49079, inclusive, and Sections 49602 and~~  
40 ~~56347, with Sections 430 to 438, inclusive, of Title 5 of the~~

1 ~~California Code of Regulations, with the Information Practices~~  
2 ~~Act of 1977 (Chapter 1 (commencing with Section 1798) of Title~~  
3 ~~1.8 of Part 4 of Division 3 of the Civil Code), and with the federal~~  
4 ~~Family Education Rights and Privacy Act statute (20 U.S.C. Secs.~~  
5 ~~1232g and 1232h) and related federal regulations.~~

6 ~~(h) The department shall convene an advisory board consisting~~  
7 ~~of representatives from the state board, the Secretary for Education,~~  
8 ~~the Department of Finance, the State Privacy Ombudsman, the~~  
9 ~~Legislative Analyst's Office, representatives of parent groups,~~  
10 ~~school districts, and local educational agencies, and education~~  
11 ~~researchers to establish privacy and access protocols, provide~~  
12 ~~general guidance, and make recommendations relative to data~~  
13 ~~elements. The department is encouraged to seek representation~~  
14 ~~broadly reflective of the general public of California.~~

15 ~~(i) Subject to funding being provided in the annual Budget Act,~~  
16 ~~the department shall contract with a consultant for independent~~  
17 ~~project oversight. The Director of Finance shall review the request~~  
18 ~~for proposals for the contract. The consultant hired to conduct the~~  
19 ~~independent project oversight shall twice annually submit a written~~  
20 ~~report to the Superintendent, the state board, the advisory board,~~  
21 ~~the Director of Finance, the Legislative Analyst, and the~~  
22 ~~appropriate policy and fiscal committees of the Legislature. The~~  
23 ~~report shall include an evaluation of the extent to which the~~  
24 ~~California Longitudinal Pupil Achievement Data System is meeting~~  
25 ~~the goals described in subdivision (b) and recommendations to~~  
26 ~~improve the data system in ensuring the privacy of individual pupil~~  
27 ~~information and providing the data needed by the state and local~~  
28 ~~educational agencies.~~

29 ~~(j) This section shall be implemented using federal funds~~  
30 ~~received pursuant to the federal No Child Left Behind Act of 2001,~~  
31 ~~which are appropriated for purposes of this section in Item~~  
32 ~~6110-113-0890 of Section 2.00 of the Budget Act of 2002 (Chapter~~  
33 ~~379 of the Statutes of 2002). The release of these funds is~~  
34 ~~contingent on approval of an expenditure plan by the Department~~  
35 ~~of Finance.~~

36 ~~(k) For purposes of this chapter, a local educational agency shall~~  
37 ~~include a county office of education, a school district, or charter~~  
38 ~~school.~~

39 ~~SEC. 2. Section 60902 is added to the Education Code, to read:~~

1     ~~60902. (a) The Superintendent, with the approval of the state~~  
2 ~~board, shall establish and maintain a unique coding system for~~  
3 ~~educational institutions, as deemed necessary by the~~  
4 ~~Superintendent, that includes, but is not limited to, county offices~~  
5 ~~of education, school districts, public schools, charter schools, and~~  
6 ~~private schools in California that enroll pupils in any of~~  
7 ~~kindergarten and grades 1 to 12, inclusive.~~  
8     ~~(b) These unique codes shall be maintained for the purpose of~~  
9 ~~identifying and tracking educational institutions for enrollment,~~  
10 ~~state and federal reporting requirements, accountability, and fiscal~~  
11 ~~purposes.~~  
12     ~~(c) The state board shall adopt regulations necessary to~~  
13 ~~implement this section.~~